

## **FISCAL NOTE**

### **SB 3631 - HB 3670**

March 22, 2006

**SUMMARY OF BILL:** Authorizes a party against whom the Department of Labor & Workforce Development Specialist has issued an order the right to submit a "Request for Reconsideration" and makes changes to present law concerning penalties for failure to comply with an order issued by a specialist.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$540,500 Recurring**  
**\$16,000 One-Time**  
**Increase Local Govt. Expenditures Exceeds \$10,000\***

#### Assumptions:

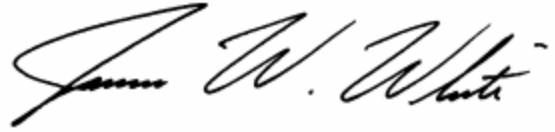
- No impact on the State Risk Management Fund.
- In 2005, there were 3,589 orders that could be appealed under the provisions of this bill.
- The Department of Labor and Workforce Development would require additional resources and personnel (four Workers' Compensation Specialist 4 positions, four Administrative Assistant 4 positions, and \$2,000/position for computer equipment.
- Self-insured cities could be exposed to a minimum fine of \$10,000 for noncompliance with an order issued by a specialist.

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

**SB 3631 - HB 3670**

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director